

TRADE POLICY HIGHLIGHTS

MAHOGANY PLACED IN CITES APPENDIX II

At the meeting of the 12th Conference of the Parties (COP12) of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), held November 3-15, 2002, in Santiago, Chile, contracting parties approved a proposal by Nicaragua and Guatemala to list *Swietenia macrophylla* (bigleaf mahogany) in Appendix II of CITES. The United States supported the proposal. The listing in Appendix II means that range states will now have to provide export permits for shipments of logs, sawn wood, veneer, and plywood, and confirmation that the shipments are not detrimental to the survival of the species. Additional information on the decisions taken at COP12 is available at <http://www.cites.org/eng/cop/index.shtml>.

WTO APPOINTS PANELISTS TO HEAR U.S.- CANADIAN SOFTWOOD LUMBER DISPUTE

On November 12, 2002, Dr. Supachai Panitchpakdi, the World Trade Organization's (WTO) Director-General, appointed a three-member panel to review the United States' final countervailing duty determination regarding imports of Canadian softwood lumber. Most Canadian softwood lumber is currently subject to a countervailing duty of 18.75 percent. Products manufactured in Canada's Maritime Provinces are exempt from the countervailing duty, as are products of certain manufacturers who rely entirely on logs sourced from the Maritime Provinces or the United States. Canadian softwood lumber is also subject to antidumping duties ranging from 2.18 to 12.44 percent. The EU, Japan, and India have reserved their third-party rights in the dispute.

ITTC MEETS IN YOKOHAMA

The Thirty-Third Session of the International Tropical Timber Council, the governing body of the International Tropical Timber Organization, met November 4-9, 2002, in Yokohama, Japan. Representatives from 40 countries, and 35 intergovernmental, governmental and non-governmental organizations participated in the meeting, including representatives from a significant number of environmental organizations. Many of the discussions at the session focused on the renegotiation of the International Tropical Timber Agreement, forest law enforcement, and the role of phased approaches to certification in promoting sustainable forest management. The newly formed Civil Society Advisory Group organized a panel discussion for representatives, the theme of which was "Succeeding in the Certified Forest Products Marketplace". The Council adopted nine decisions during the course of the Thirty-Third Session. Additional information concerning the Third-Third Session can be found at <http://www.itto.or.jp>.

U.S. AND CHILE CONCLUDE FTA NEGOTIATIONS

On December 11, 2002, the U.S. and Chile wrapped up negotiations on the U.S.-Chile Free Trade Agreement on December. The comprehensive agreement will result in the elimination of most tariffs either immediately or over four years. U.S. and Chilean tariffs on wood products will be eliminated immediately, upon implementation of the agreement. The agreement was reached following 14 rounds of intensive negotiations over a two-year period. The Administration is expected to notify Congress after the first of the year that it intends to sign the agreement. The Administration has notified Congress of its intent to launch several other FTA negotiations, including with Australia and Central America.